

PM can't hide from '1MDB cash for GE13' report

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Najib Abdul Razak cannot keep silent over a controversial report by Wall Street Journal (WSJ) that 1MDB's funds were allegedly used to bankroll the prime minister's 13th general election campaign in 2013, said DAP supremo Lim Kit Siang.

"The prime minister's silence or that of his Prime Minister's Office (PMO) on this expose by WSJ will seriously impact in a most adverse manner not only on the prime minister's credibility but the nation's international reputation as well," he said in a statement today.

Lim, who is Gelang Patah MP, said this allegation is particularly serious especially after revelations last month that 1MDB's memorandum and articles of association required all important financial decisions by the company to get written approval from Najib.

"As the person responsible for 1MDB's deals, in law and in fact, not only because 1MDB is a government company and Najib is the ultimate authority as prime minister and finance minister... silence is no more an option for Najib as it tantamounts to admission of the WSJ report," said Lim.

Therefore, Lim said Najib should take upon himself to testify before the Public Accounts Committee (PAC) ahead of 1MDB's top officials, who are scheduled to appear before the committee in August.

"Is Najib prepared to announce that he will personally appear before the PAC and answer all queries about the WSJ claim that 1MDB funds running into billions of ringgit had been used to bankroll his 13th general election campaign?"

"Is Najib prepared to ask PAC to reschedule its hearings on the 1MDB scandal so as to give priority for him to appear before the PAC on the WSJ claim, even in matter of a week or two?" said Lim.

Yesterday, WSJ claimed that 1MDB's funds were used to bankroll the general election by having the Finance Ministry-owned company to make an overpriced purchase of power assets from a subsidiary of Genting Group in 2012.

Genting then made a donation to a charity foundation Yayasan Rakyat 1Malaysia (YR1M) by Najib, said the report.

Bid to recapture Penang

WSJ said the "donations" to YR1M were then poured into the election campaign in Penang for BN's bid to recapture the state.

"It and other charities linked to the government spent millions of dollars before the voting

in Penang, a northern state that was an important election battleground.

"Najib visited Penang during the campaign and announced that YR1M would donate RM2 million to two local schools.

"These schools serve Chinese communities that are not a poor demographic but whose support would be crucial to win votes in the area," it said.

The WSJ report claimed that regulators found the charity had failed to file its required financial status since 2013.

WSJ added that Goldman Sachs, which received a handsome commission for raising US\$3 billion (RM11.22 billion) in bonds for 1MDB, was pressed to do so quickly shortly before the general election.

"Goldman Sachs Group Inc arranged the bond sale and took on extra risk to get the deal done quickly at 1MDB's request, according to a person familiar with the matter, earning unusually high profits as a result," it said.

'PAC must probe WSJ's claims'

Meanwhile, PKR's Bayan Baru MP Sim Tze Tzin said the PAC must act to expand its probe to include WSJ's allegations.

"PAC must called up WSJ Asian Chief Editor Tom Wright, Genting Group chief executive officer, Yayasan Rakyat 1Malaysia chairman to investigate this alleged biggest political campaign financing scandal in the history of Malaysia," he said in a statement today.

Sim (photo), who is based in Penang, said Penangites were already wondering about BN's source of funding as they were treated to nightly beer and food during the campaign period leading to the 13th general election.

"We lodged these activities to Election Commission but the Malaysian Anti-Corruption Commission and police until now stated there was no further action taken.

"All these extravagant activities during GE13 required extraordinary amount of money," he said.

Sim, who is also PKR strategic director, said Penang BN chairperson Teng Chang Yeow must also come clean on the matter.

"He was the BN campaign chief, he must come clean in order to restore Penangites confidence that BN's Election campaigns were clean and fair without the involvement of money from questionable sources," he said.

Malaysiakini had contacted the Prime Minister' Office, YR1M, Genting Group and 1MDB and

is awaiting their response.

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